



Keeping college affordable: Annual report on state financial aid programs

Higher Education Coordinating Board
January 29, 2010

Topics

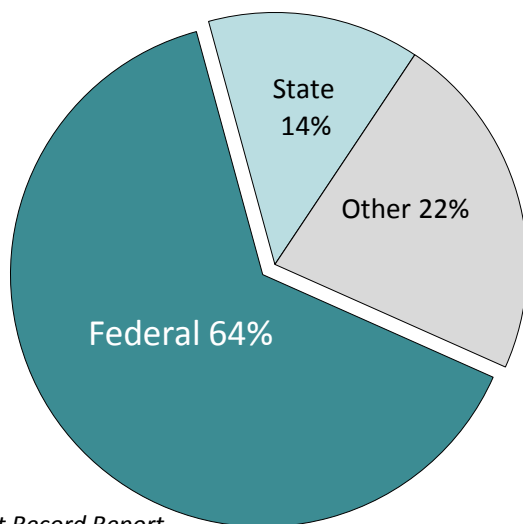
- **Aid received in 2008-09**
 - Tuition increases drive funding in SNG
 - Borrowing
 - Graduate students
 - Need covered by aid
- **Historical funding patterns**
- **Recent trends**
- **Legislated changes from 2009**
- **A few program and activity briefs**
 - State Need Grant & State Work Study
 - College Bound & GEAR UP
 - theWashBoard.org

Total Aid

\$1.8 Billion to 144,000 students

Total: \$1.8 Billion

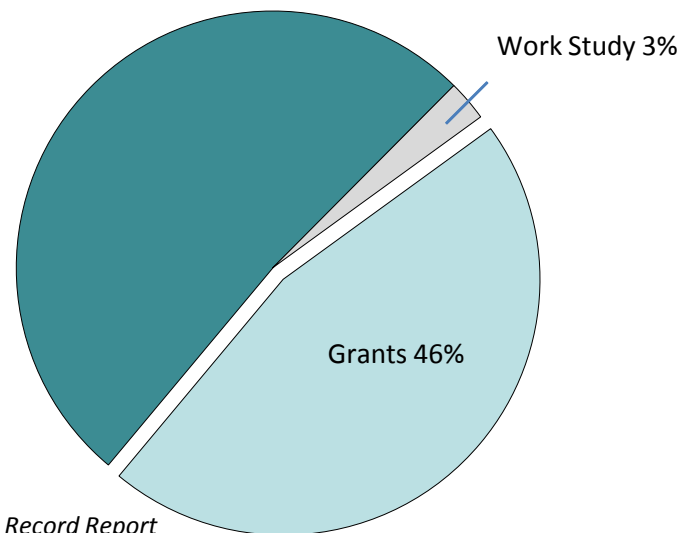
Federal: \$1.2b
Other: \$401m
State: \$244m



Source: 2008-2009 Unit Record Report

Total: \$1.8 Billion

Loans: \$922m
Grants: \$827m
Work Study: \$46m



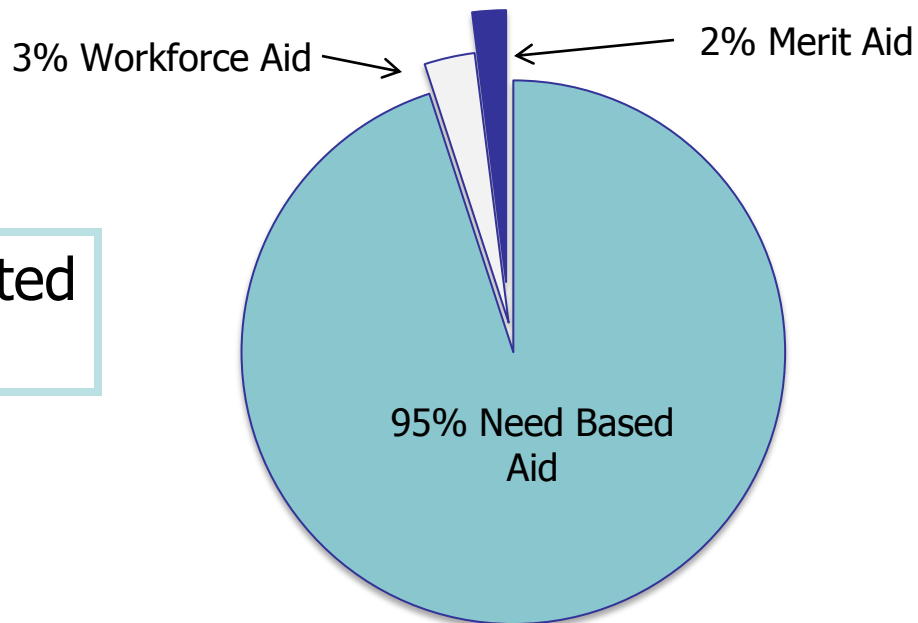
Source: 2008-2009 Unit Record Report

- Represents an increase of \$170m and 9,000 students from 2007-08
- Majority of aid federal and 75% of federal aid in the form of loans

Note: Does not include aid disbursed by institutions that do not participate in state aid programs; does not include all private loans.

State Aid Mostly Need-Based

\$272.6 million appropriated
for 2010-11



Need-based programs

(95% of funding)

- State Need Grant (SNG)
- State Work Study (SWS)
- Passport-Foster Youth

Workforce programs

(3% of funding)

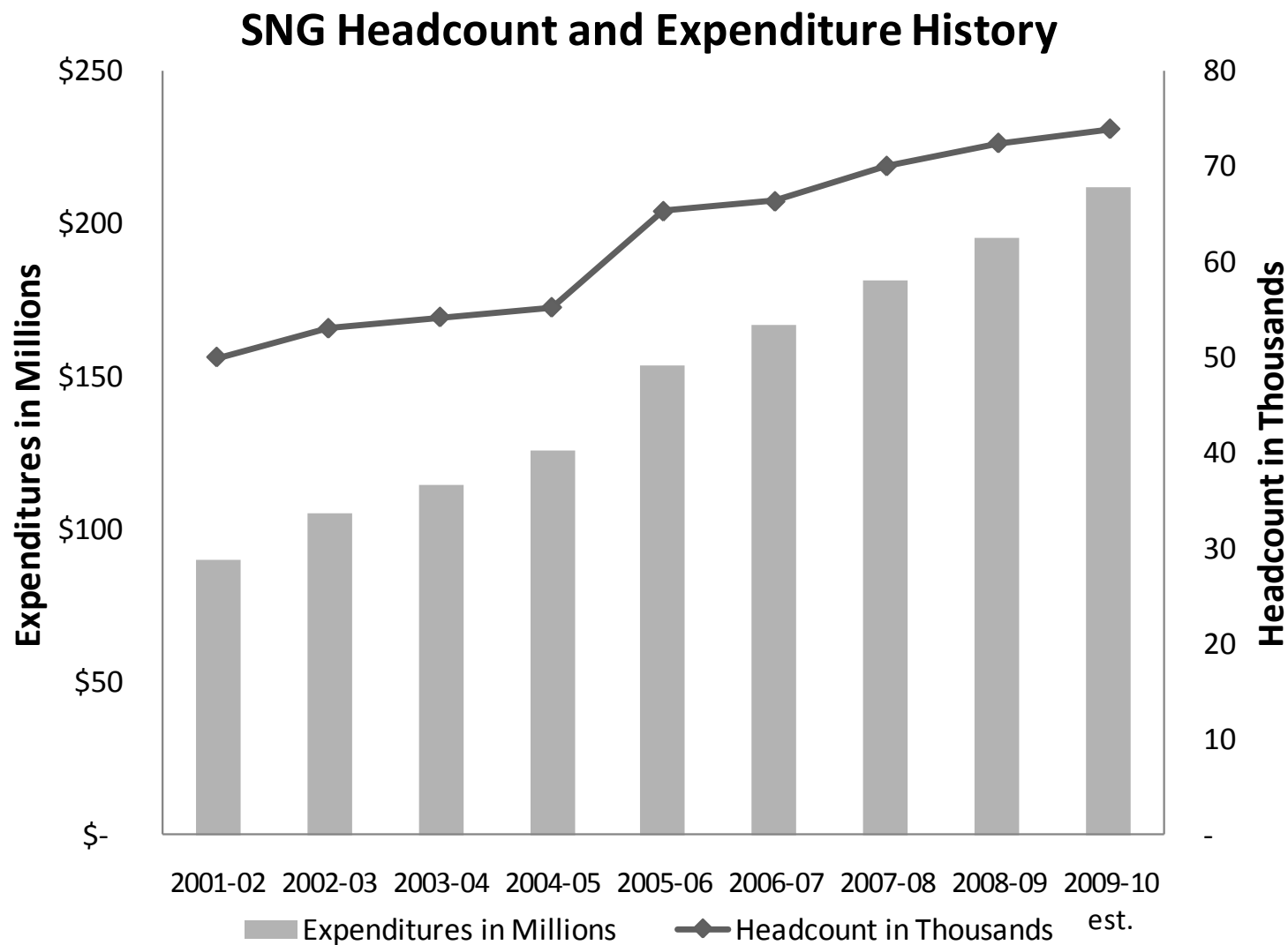
- Future Teachers
- Health Professionals

Merit programs

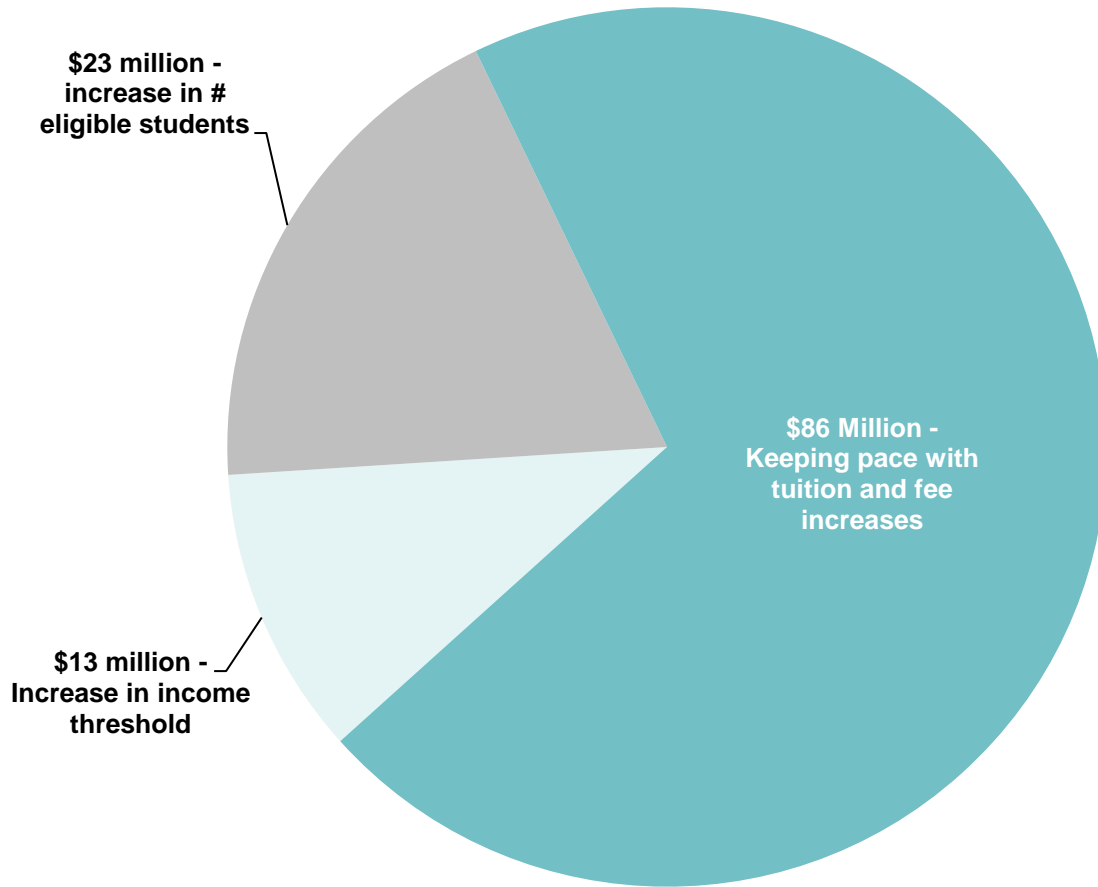
(2% of funding)

- Washington Scholars
- WA Award for Vocational Excellence (WAVE)

SNG Has Grown \$122m in a Decade



Tuition Increases Primary Budget Driver for SNG



**Total increase since
2001-02 = \$122 million**

- **71% due to tuition increases**
- **19% due to increased number of eligible students**
- **10% due to increased income threshold (from 55% to 70% MFI)**

Borrowing in WA

- **Nearly 65% of needy students received loans (92,000 borrowers)**
 - Of these borrowers, 71% (65,000) were resident undergraduates
 - Average annual loan was \$7,300
- **And 14,000 non-needy resident undergraduate students borrowed federal loans**
 - Average annual loan was \$8,800

Aid to Graduate Students

- **More than 15,000 graduate students received need-based aid and about 98% borrowed**
- **About 15% of the total aid was in form of scholarships and institutional aid (often fellowships)**
- **Average annual loan was \$21,000**
- **State Work Study, Health Professionals & Future Teachers are available to graduate students**

Most Need Met by Aid

- **The extent aid covers need is one measure of affordability**
- **For 56,600 full-time, full-year students***
 - 88% (\$813m) of their total need was met by aid
 - Overall, 53% was covered by non-loan aid (grants, scholarships, institutional aid, work-study)

*Resident undergraduates

Recent Trends

- **Federal applications have increased 23% over the last year and 34% in a two-year period**
 - More than 385,000 FAFSAs submitted
 - WA ranked 8th in nation for FAFSA increases*
- **Job losses and other changes lead many students to request revisions to the income reported**
- **Trends have created workload challenges for institutions**
- **13% increase in SNG eligible students reported**

2009 Legislative Changes

- **Opportunity Internships added to SNG for low-income high school students**
- **High demand fields incorporated to SWS**
- **SWS usage by non-residents limited to 15%**
- **Educational Opportunity Grant phased-out and criteria for transfer students moved to SNG**
- **Washington Scholars awards prorated**
- **Federal Stimulus for Pell Grant & Federal Work Study served Washington students**
 - Pell Grant increase exceeded non-tuition cost increases and was used as an offset for SNG

2009 Legislative Changes

- Portal Study requested of Board – phased process recommended by workgroup
- Passport Program for foster youth modified to bring in the College Success Foundation as a partner to deliver student support services
- Opportunity Pathways label required for HECB and institutions



State Need Grant

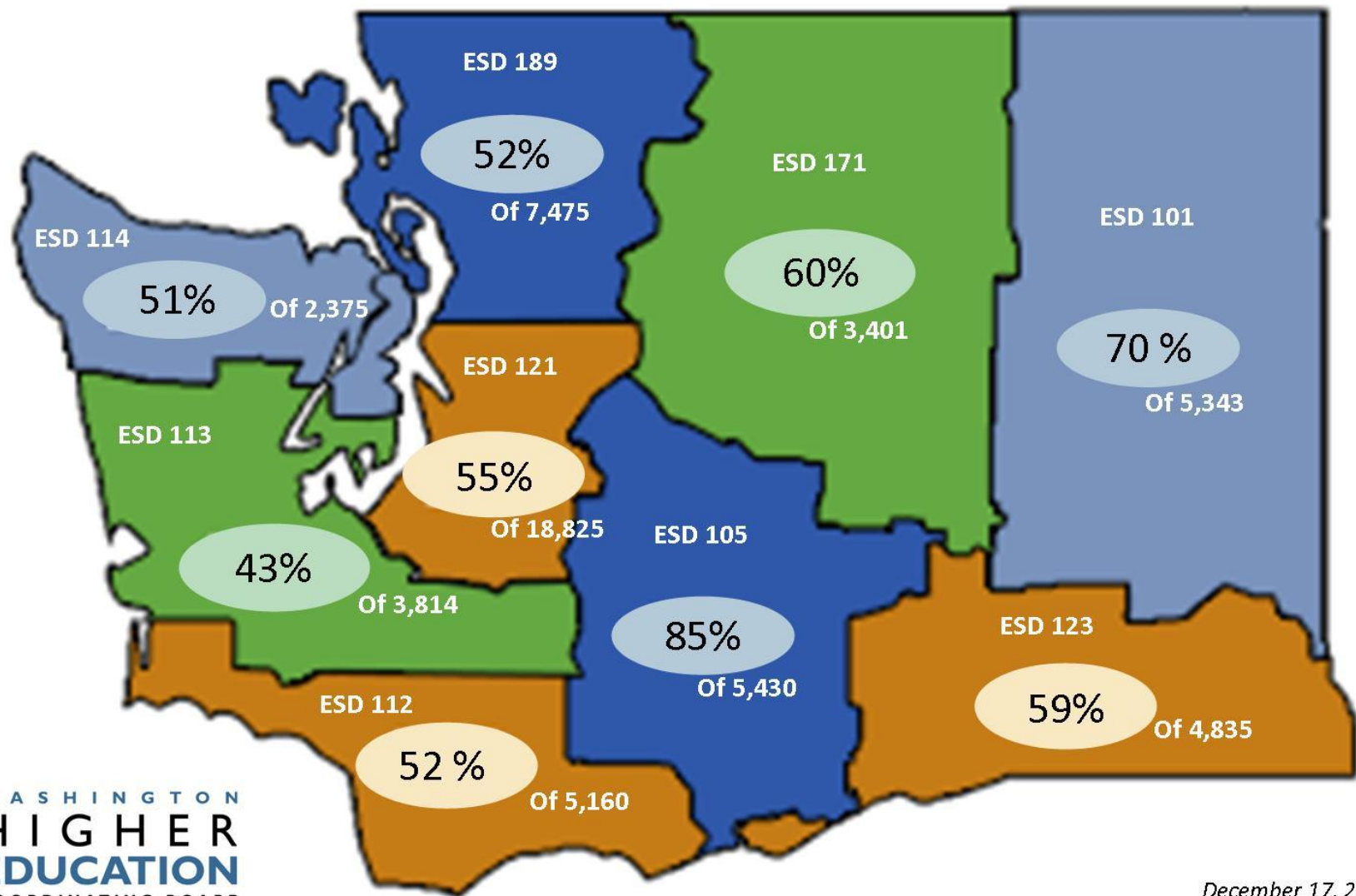
- Served 72,500 students with \$195.5m last year
- Students eligible up to 70% MFI - \$54,500
- Awards prorated for students above 50% MFI
- Less-than-halftime fund served 1,970 students
- 46% of SNG students were older than 24
- 30% had children of their own

State Work Study

- 9,300 students earned over \$27m last year
- Employer match provides over \$6m to program
- Available to any student with financial need
- Special projects encourage placements in high demand fields, math & science classrooms, and community service
- 39% of student workers were older than 24
- 21% had children of their own

Complete College Bound Applications 2007-2009

The *number* in each ESD represents eligible students from the first two cohorts who had a deadline of June 30, 2009.
The *percentage* reflects complete applications on file at the Board.



December 17, 2009

GEAR UP

- The federally-funded GEAR UP Scholars Project and state-funded expansion GEAR UP for Student Success combine to serve 4,000 students in 37 districts
- GEAR UP offers tutoring, mentoring, career planning, college visits, scholarships, and teacher professional development
- 10 GEAR UP Partnership programs 54 districts
- State expansion in 25 districts



- Free, user-friendly scholarship matching site
- Launched Dec. 31, 2009
- 5,000 seekers registered
- Over \$11.5 m in scholarship support



SFA Fact Sheets

www.hecb.wa.gov

Describe SFA programs and impacts of proposed budget cuts.